

Washington Dental Service

Dental Insurance

Colville, Washington

www.deltadentalwa.com



Washington Dental Service recognized the need to expand its operations in the late 1990s. “We had begun to run out of space at our Seattle facility and, at the same time, it was increasingly difficult to attract quality applicants for customer service and claims processing positions,” explains Keimi Dragovich, Colville site manager. As a result, the company’s three-year business plan at the time included an initiative to evaluate expansion alternatives

The initiative began in earnest in early 2001. Craig Gowdey, vice president and chief information officer, said the company did not go into the process expecting to locate in a rural community. Washington Dental Service considered alternatives

from outsourcing to creation of a second site. “Initially, we looked at sites along the Interstate 5 corridor but costs and staffing issues led us to explore other options,” explains Gowdey. Previous work with the Washington State University (WSU) telework group led the company to consider efforts the state was sponsoring in rural communities.

One of those efforts was the WSU Rural Telework Project, designed to strengthen and diversify the economies of rural Washington communities through telework job creation. Colville was one of the communities participating in the project, and Washington Dental Service decided to explore it as a potential second site.

Initially, the company solicited information from Colville by anonymously posing a set of questions to the community using WSU as an intermediary. This was followed by additional questions and site visits. “The bottom line was we needed to be confident the community could support all of our needs—from a qualified workforce to our technology and facility requirements,” says Dragovich.

Washington Dental Service applied financial, cultural and political criteria to evaluate the alternatives. In September 2001, senior management selected Colville for expansion based on the following business reasons:

- Lower cost of living and real estate costs
- Quality workforce
- Necessary technology infrastructure
- Supportive economic climate and community

“Our quality of accuracy and customer service has far surpassed expectations for such a new team with little or no experience in the insurance industry. The Colville employees’ willingness to learn new skills and improve processes is amazing.”

- Keimi Dragovich, Colville Site Manager

Once the decision was made, Washington Dental Service developed a detailed and ambitious five-month timeline to open the new office. Key aspects of the process were to build-out the facility and hire staff. Facility development was conducted by the Tri-County Economic Development District (TEDD) using an economic development administration grant and bank loan. TEDD converted a former restaurant in downtown Colville into a technology incubator, and Washington Dental Service became TEDD’s first tenant in the facility.

“The community of Colville came together to help us with a very proactive and collaborative business approach,” says Dragovich. “They were able to put together a facility that met our needs and provided us with room for expansion. Several local partners also worked collaboratively to help us secure a workforce that is now one of the best Washington Dental Service has in the state. We are very happy with our location in Colville and look forward to enhancing this operation in the future.”

The Colville Washington State Employment Security office helped fill positions. Employment Security accepted more than 200 job applications and pre-screened candidates. Washington Dental Service conducted two rounds of interviews and hired 14 people. A training team came to Colville and provided several weeks of instruction about the company,

instruction about the company, dental terminology, and data entry. A second round of hiring for customer service representatives was completed in early April 2002, and 14 additional positions were filled. Along with the manager of the Colville office who came from Seattle, there were initially 29 employees at the site.

In February 2002, the Colville office opened on schedule. Claims processors performed work once done by temporary employees in the Seattle office and customer service jobs that were outsourced to a California firm. Results have exceeded the company's expectations.

The Colville office has saved Washington Dental Service more than \$860,000 in salaries and wages alone over the more than three years that it has been open. The company has also been able to save a considerable amount in real estate costs. With leased space in Colville about one-third of what it is in Seattle, WDS has saved nearly \$355,000 in real estate costs since opening this office.

In addition to cost savings, locating an office in Colville has had other positive outcomes. "Our quality of accuracy and customer service has far surpassed expectations for such a new team with little or no experience in the insurance industry," says Dragovich, the Colville site manager.

"The Colville employees' willingness to learn new skills and improve processes is amazing. We have been able to streamline and reduce 'touches' in the call center much faster than anticipated and this has had a positive impact on our service levels." Craig Gowdy adds that another side benefit of the expansion to Colville is that it is now part of Washington Dental Service's disaster recovery and business continuity strategy.

"The bottom line was we needed to be confident the community could support all of our needs – from a qualified workforce to our technology and facility requirements."

- Keimi Dragovich, Colville Site Manager

"Washington Dental Service provides outstanding employment opportunities for the people of Colville," says Jeni Forman, executive director, Tri-County Economic Development District. "In addition, as the cornerstone of technology-based jobs in Colville, WDS has opened many doors for the growth of the information-based sector in Stevens County. We are fortunate to have a company like Washington Dental Service. With our strong workforce, the low cost of doing business and the outstanding quality of life we have to offer, it's a win-win for everyone."

Dragovich says that Washington Dental Service anticipates continued growth at the Colville location. "We are already running out of space, so we are exploring other alternatives - including moving to a bigger building to accommodate future growth," she says. "We believe that we still have a strong labor pool in Colville, which will meet our needs. We look forward to a long and prosperous relationship with the community."

About Washington Dental Service

Washington Dental Service, a member of the Delta Dental Plans Association, is Washington state's largest dental benefits company - serving approximately 2 million people nationwide. A nonprofit, public benefit corporation, Washington Dental Service has a history of more than 50 years of improving oral health. The dental benefits company specializes in delivering dental benefits and focuses on service, oral health science and research. The majority of Washington Dental Service's customer service employees have prior experience in dental office. Nine out of 10 dentists in Washington state participate in its network. Headquartered in Seattle, Washington, Washington Dental Service has 292 employees, including 125 in operations (mailing and scanning claims, claims processing and customer service).